

## **§ 109-27.5010**

### **§ 109-27.5010 Containers returnable to vendors.**

Containers furnished by vendors shall be administratively and physically controlled before and after issuance. Prompt action shall be taken to return such containers to vendors for credit after they have served their intended use.

### **§ 109-27.5011 Identification marking of metals and metal products.**

#### **§ 109-27.5011-1 General.**

Metals and metal products shall be identified and marked in accordance with applicable Federal standards. This requirement applies to direct charges as well as to items procured for store, shop or floor stock, or for use on construction projects. Additional markings not covered by Federal standards should be used to show special properties, corrosion data, or test data as required. The preferred process is for the marking to be done in the manufacturing process, but it may be applied by suppliers when circumstances warrant.

#### **§ 109-27.5011-2 Exception.**

Exceptions to the marking requirement may be made when:

- (a) It is necessary to procure small quantities from suppliers not equipped to do the marking;
- (b) It would delay delivery of emergency orders; or
- (c) Procurement is from DOE or other Federal agency excess.

## **Subpart 109-27.51—Management of Precious Metals**

### **§ 109-27.5100 Scope of subpart.**

This subpart provides policies, principles, and guidelines to be used in the management of purchased and recovered precious metals used to meet research, development, production, and other programmatic needs.

### **§ 109-27.5101 Definition.**

*Precious metals* means uncommon and highly valuable metals characterized by their superior resistance to corrosion and oxidation. Included are gold, silver, and the platinum group met-

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als—platinum, palladium, rhodium, iridium, ruthenium and osmium.

### **§ 109-27.5102 Policy.**

DOE organizations and contractors shall establish effective procedures and practices for the administrative and physical control of precious metals in accordance with the provisions of this subpart.

### **§ 109-27.5103 Precious Metals Control Officer.**

Each DOE organization and contractor holding precious metals shall designate in writing a Precious Metals Control Officer. This individual shall be the organization's primary point of contact concerning precious metals control and management, and shall be responsible for the following:

- (a) Assuring that the organization's precious metals activities are conducted in accordance with Departmental requirements.
- (b) Maintaining of an accurate list of the names of precious metals custodians.
- (c) Providing instructions and training to precious metals custodians and/or users as necessary to assure compliance with regulatory responsibilities.
- (d) Insuring that physical inventories are performed as required by, and in accordance with, these regulations.
- (e) Witnessing physical inventories.
- (f) Performing periodic unannounced inspections of a custodian's precious metals inventory and records.
- (g) Conducting an annual review of precious metals holdings to determine excess quantities.
- (h) Preparing and submitting to the Business Center for Precious Metals Sales and Recovery the annual forecast of anticipated withdrawals from, and returns to, the DOE precious metals pool.
- (i) Conducting a program for the recovery of silver from used hypo solution and scrap film in accordance with 41 CFR 101-45.10 and § 109-45.10 of this chapter.
- (j) Preparing and submitting of the annual report on recovery of silver from used hypo solution and scrap film as required by § 109-45.1002-2 of this chapter.

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(k) Developing and issuing current authorization lists of persons authorized by management to withdraw precious metals from stockrooms.

### **§ 109-27.5104 Practices and procedures.**

#### **§ 109-27.5104-1 Acquisitions.**

DOE organizations and contractors shall contact the Business Center for Precious Metals Sales and Recovery to determine the availability of precious metals prior to acquisition on the open market.

#### **§ 109-27.5104-2 Physical protection and storage.**

Precious metals shall be afforded exceptional physical protection from time of receipt until disposition. Precious metals not in use shall be stored in a noncombustible combination locked repository with access limited to the designated custodian and an alternate. When there is a change in custodian or alternate having access to the repository, the combination shall be changed immediately.

#### **§ 109-27.5104-3 Perpetual inventory records.**

Perpetual inventory records shall be maintained as specified in Chapter V of DOE Order 534.1, Accounting.

#### **§ 109-27.5104-4 Physical inventories.**

(a) Physical inventories shall be conducted annually by custodians, and witnessed by the Precious Metals Control Officer or his designee.

(b) Precious metals not in use shall be inspected and weighed on calibrated scales. The inventoried weight and form shall be recorded on the physical inventory sheets by metal content and percent of metal. Metals in use in an experimental process or contaminated metals, neither of which can be weighed, shall be listed on the physical inventory sheet as observed and/or not observed as applicable.

(c) Any obviously idle or damaged metals should be recorded during the physical inventory. Justification for further retention of idle metals shall be required from the custodian and approved one level above the custodian,

or disposed of in accordance with established procedures.

(d) The dollar value of physical inventory results shall be reconciled with the financial records. All adjustments shall be supported by appropriate adjustment reports, and approved by a responsible official.

#### **§ 109-27.5104-5 Control and issue of stock.**

Precious metals in stock are metals held in a central location and later issued to individuals when authorized requests are received. The following control procedures shall be followed for such metals:

(a) Stocks shall be held to a minimum consistent with efficient support to programs.

(b) The name and organization number of each individual authorized to withdraw precious metals, and the type and kind of metals, shall be prominently maintained in the stockroom. This authorization shall be issued by the Precious Metals Control Officer or his designee and updated annually. Issues of metals will be made only to authorized persons.

(c) Accurate records of all receipts, issues, returns, and disposals shall be maintained in the stockroom.

(d) Receipts for metal issues and returns to stock shall be provided to users. Such receipts, signed by the authorized requesting individual and the stockroom clerk, shall list the requesting organization, type and form of metal, quantity, and date of transaction.

#### **§ 109-27.5104-6 Control by using organization.**

(a) After receipt, the using organization shall provide necessary controls for precious metals. Materials shall be stored in a non-combustible, combination locked repository at all times except for quantities at the actual point of use.

(b) Each using organization shall maintain a log showing the individual user, type and form of metal, and the time, place, and purpose of each use. The log shall be kept in a locked repository when not in use.

(c) The logs and secured locked storage facilities are subject to review by